

FISCAL NOTE

Bill #: HB0652

Title: MSU Extension Service to administer upland game bird enhancement program

Primary Sponsor: Hedges, D

Status: As Introduced

Sponsor signature	Date	Chuck Swysgood, Budget Director	Date
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Fiscal Summary

	<u>FY 2004 Difference</u>	<u>FY 2005 Difference</u>
Expenditures:		
State Special Revenue (FWP)	\$0	\$0
University Restricted	\$474,600	\$421,100
Revenue:		
University Restricted	\$1,243,750	\$1,243,867
Federal Special Revenue	(\$12,156,387)	(\$12,156,387)
Net Impact on General Fund Balance:	\$0	\$0

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|---|---|
| <input type="checkbox"/> Significant Local Gov. Impact | <input checked="" type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input checked="" type="checkbox"/> Significant Long-Term Impacts |
| <input type="checkbox"/> Dedicated Revenue Form Attached | <input type="checkbox"/> Needs to be included in HB 2 |

Fiscal Analysis

ASSUMPTIONS:

Fish, Wildlife and Parks

1. All authority appropriated to FWP from the upland game bird fund will be used by FWP to contract with the MSU Extension Service to administer and implement the upland game bird enhancement program. This amounts to \$36,250 in FY 2004 and \$36,367 in FY 2005 of personal services (discussed below); \$57,500 each year of the biennium of operating expenses; and \$2,300,000 of HB 5 authority for the biennium, totaling \$2,487,617 for the biennium. This amount of \$2,487,617 will be the source of revenue for the MSU Extension Services.
2. The 0.65 FTE currently funded from this account to administer the program will be removed. The personal services dollars will be moved to operations and be available for contract payments to MSU. (FY 2004 personal services are budgeted at \$36,250; FY 2005 personal services are budgeted at \$36,367.)
3. New Section 5 requires the MSU extension service to adopt management practices for the upland game bird program. In addition, sections 87-1-248 and 87-1-249, MCA, that give FWP the authority to manage the upland game bird program are repealed.

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(continued)

4. According to the FWP interpretation of 50 CFR Section 80.4 of the Federal Aid in Sport Fish and Wildlife Restoration Program Rules, the actions in Assumption # 3 create a diversion.
5. In FFY 2003 there was \$12,156,387 of federal Wallop/Breaux and Pittman/Robertson apportioned to the State of Montana for fish and wildlife related activities. If this bill passes as written, Montana will no longer be eligible to receive these funds. Wallop/Breaux and Pittman/Robertson funds are matched three to one with state dollars.

MSU Extension Services

6. Anticipated operating costs for this program are estimated by the MSU Extension Service at \$474,600 in FY 2004 and \$421,100 in FY 2005 for purposes of implementing the upland game bird program. There will be 1.00 FTE coordinator, 4.00 FTE field agents and 0.50 FTE clerical.
7. The Board of Regents authorizes spending authority for university grants and contracts within the Montana University System, so no appropriation is needed in HB 2 for this bill.

FISCAL IMPACT:

	<u>FY 2004</u> <u>Difference</u>	<u>FY 2005</u> <u>Difference</u>
Fish, Wildlife and Parks		
FTE	(0.65)	(0.65)

Expenditures: HB2

Personal Services	(\$36,250)	(\$36,367)
Operating Expenses (contract with MSU)	<u>36,250</u>	<u>36,367</u>
TOTAL	\$0	\$0

Funding of Expenditures:

State Special Revenue (02)	\$0	\$0
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Expenditures: HB5

Upland Game Bird Program	(\$1,150,000)	(\$1,500,000)
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Revenues:

Federal Special Revenue (03)	(\$12,156,387)	(\$12,156,387)
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MSU Extension Service

FTE	5.50	5.50
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Expenditures:

Personal Services	\$373,000	\$373,000
Operating Expenses	48,100	48,100
Equipment (start-up)	<u>53,500</u>	<u>0</u>
TOTAL	\$474,600	\$421,100

Funding of Expenditures:

University Restricted (Contract with FWP)	\$474,600	\$421,100
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Revenues:

University Restricted - Transfer from FWP	\$36,250	\$36,367
University Restricted (Contract with FWP (FWP Oper.))	57,500	57,500
University Restricted (Contract with FWP(FWP HB 5))	<u>1,150,000</u>	<u>1,150,000</u>
TOTALS	\$1,243,750	\$1,243,867

Totals

Net Impact to Fund Balance (Revenue minus Funding of Expenditures):

University Restricted (restricted fund balance)	\$769,150	\$822,767
Federal Special Revenue (03)	(\$12,156,387)	(\$12,156,387)

LONG-RANGE IMPACTS:

1. A change of this magnitude and the follow-up on interpretation of federal rules regarding 50 CFR Section 80.4 will be significant.

TECHNICAL NOTES:

1. According to the FWP interpretation of 50 CFR Section 80.4 of the Federal Aid in Sport Fish and Wildlife Restoration Program Rules, the actions in Assumption # 3 create a diversion and approximately \$12,156,387 of federal Wallop/Breaux and Pittman/Robertson apportioned annually to the State of Montana for fish and wildlife related activities will no longer be available.